ESTTA Tracking number: **ESTTA759549**

Filing date: **07/20/2016**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92063448
Party	Defendant Cormorant Group LLC
Correspondence Address	CORMORANT GROUP LLC 204 28TH ST BROOKLYN, NY 11232 UNITED STATES
Submission	Motion for Relief from entry of Default Judgment
Filer's Name	Ira E. Silfin
Filer's e-mail	isilfin@arelaw.com, wwalker@arelaw.com, ptodocket@arelaw.com
Signature	/Ira E. Silfin/
Date	07/20/2016
Attachments	MotiontoSetAsideDefaultJudgment.pdf(18573 bytes) Exhibit A -DeclarationofJamesLocke.pdf(88402 bytes) Exhibit B - 012616 Letter to TechLaw.pdf(203611 bytes) Exhibit C - 010416 Letter to Techlaw.pdf(204333 bytes) Exhibit D -110106 Board Decision.pdf(27589 bytes)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the Matter of:

Registration No.: 3,810,927
Registered: June 29, 2010 in the name of Cormorant Group, LLC
Mark: TERRAFINA
International Classes: 29, 30 and 31

LA TERRA FINA USA, INC., Petitioner, v. CORMORANT GROUP LLC, Respondent.	Cancellation No. 92063448 **MOTION TO SET ASIDE DEFAULT JUDGMENT**

Registrant/Respondent Cormorant Group LLC (hereinafter, "Respondent"), by its attorneys Amster, Rothstein & Ebenstein, LLP, for its Motion to Set Aside Default Judgment, pursuant to the requirements of Sections 312.03 and 544 of the Trademark Trial and Appeal Board Manual of Procedure ("TBMP") and Rules 55(b) and 60(b) of the Federal Rules of Civil Procedure, respectfully states as follows:

We request that the Board grant this motion because Respondent never received notice of this cancellation proceeding. La Terra Fina USA, Inc. (hereinafter, "Petitioner") was aware that Respondent had relocated its offices, and sent notices to Respondent's former place of business anyway. Furthermore, default judgments for failure to answer a complaint are not favored by the law, and relief from such a judgment should be treated with more liberality by the TTAB than other motions for relief from judgment. *See* TBMP § 544. As such, we respectfully request that the Board set aside this default judgment.

1. On June 29, 2010, the Trademark Office issued Registration No. 3,810,927 for the word mark "TERRAFINA" to Respondent ("Respondent's Registration").

2. At the time of registration, Respondent's offices were located at 204 28th Street, Brooklyn New York 11232 (hereinafter, the "Former Address"). *See* Declaration of James Locke (attached as Exhibit A).

3. On or about November 2011 Respondent moved its offices to 1610 Bathgate Avenue, Bronx New York 10457 (hereinafter, the "Current Address"). *See* Locke Declaration.

4. On or about January 26, 2016, counsel for Petitioner sent a letter to Respondent at its Current Address. *See* Exhibit B. *See also* Locke Declaration.

5. On or about June 30, 2016, Petitioner's Counsel forwarded to Respondent's Counsel a letter addressed to Respondent at its Former Address by Certified U.S. Mail dated January 4, 2016. *See* Exhibit C. Such letter would have been undeliverable because Petitioner was no longer at that address.

6. On March 29, 2016, Petitioner filed a Petition for Cancellation of Respondent's Registration. On March 29, 2016, the Petition for Cancellation of Registration was assigned Cancellation No. 92063448 (hereinafter, the "Cancellation Proceeding") and cancellation proceedings were initiated before the Trademark Trial and Appeal Board ("TTAB") against Respondent.

7. According to the Affidavit of Service, Petitioner purported to serve Respondent at its Former Address. This was done despite Petitioner's knowledge that its previous certified letter to Respondent failed to reach Respondent at its Former Address, and despite Petitioner's counsel having successfully communicated with Respondent at its Current Address. *See* Exhibit B.

8. Because Petitioner served Respondent at its Former Address, Respondent never received any notice of the Cancellation Proceeding. *See* Locke Declaration.

9. Pursuant to TTAB rules, an answer to the Petition for Cancellation was due by May 10, 2016. On that date, Respondent was still unaware of the Petition. *See* Locke Declaration.

10. Due to the Petitioner's failure to properly serve process on Respondent, or even provide any notice to Respondent, an answer to the Petition for Cancellation was not timely filed, and a notice of default was entered on May 21, 2016.

11. Respondent learned of this Cancellation Proceeding only when its new counsel discovered the proceeding while preparing a Section 8 Declaration of Use for the '297 Registration on June 29, 2016. *See* Locke Declaration.

12. Due to Petitioner's failure to provide notice to the owner of record of the Registration, the TTAB lacked jurisdiction to cancel Registration No. 3,810,927. *See Smart Inventions, Inc. v. TMB Products LLC*, Cancellation No. 92043691. Board's Decision to Set Aside Judgment, slip op. at 4 (TTAB Nov. 1, 2006) (attached as Exhibit D.)

13. Because of a lack of jurisdiction to cancel Registration No. 3,810,927, the default judgment is void. *See Smart Inventions,* slip op. at 2 (citing Wright, Miller & Kane, *Federal Practice and Procedure*: Civil 2d § 2862 (2002)).

14. As the June 30, 2016 judgment is void, Respondent respectfully submits that it must be set aside. *See Smart Inventions,* slip op. at 4 (citing Wright, Miller & Kane).

15. This motion is being made within a reasonable time.

16. Default judgments for failure to answer a complaint are not favored by the law, and relief from such a judgment should be treated with more liberality by the TTAB than other motions for relief from judgment. *See* TBMP § 544.

17. Good cause exists for setting aside this judgment for the reasons set forth above, namely that, Respondent, through no fault of its own and through a mistake by Petitioner, was not served with process to initiate this action, received no notifications of the proceeding from the TTAB, and had no notice of the fact that the Petition for Cancellation of Registration No. 3,810,927 had been filed by Petitioner. Accordingly, the TTAB lacked jurisdiction to cancel said Registration.

WHEREFORE, Movant moves this Court to set aside the judgment entered against Respondent and in favor of Petitioner on June 30, 2016, reinstate Registration No. 3,810,927, and for such other and further relief as this Board deems just and proper.

This 20th day of July, 2016.

By: */Ira E. Silfin/*

Ira E. Silfin
Michael Sebba
AMSTER, ROTHSTEIN & EBENSTEIN LLP
90 Park Avenue
New York, NY 10016
Tel: (212) 336-8000
Fax: (212) 336-8001
Attorneys for Respondent

CERTIFICATE OF SERVICE

I hereby certify that I caused to be served via First Class U.S. Mail and a courtesy copy by e-mail on July 20, 2016 a copy of the foregoing **MOTION TO SET ASIDE DEFAULT JUDGMENT** upon attorneys for Petitioner:

Kayla Jimenez, Esq.
TechLaw LLP
PO Box 1416
La Jolla, Ca 92037
United States
kayla@techlawllp.com,
dana@techlawllp.com

/Wanda K. Walker/
Wanda K. Walker

Exhibit A

UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the Matter of:

Registration No.: 3,810,927
Registered: June 29, 2010 in the name of Cormorant Group, LLC
Mark: TERRAFINA
International Classes: 29, 30 and 31

LA TERRA FINA USA, INC.,	:	
	:	Cancellation No. 92063448
Petitioner,	:	
	:	
v.	:	
	:	**DECLARATION OF JAMES LOCKE**
CORMORANT GROUP, LLC,	:	
	:	
Registrant.	:	

I, James Locke being of legal age, do solemnly and sincerely depose and declare:

1. I am a member of Cormorant Group, LLC. (hereinafter, "Cormorant"), a limited liability company organized and existing under the laws of the State of New York, with a place of business at 1610 Bathgate Avenue, Bronx NY 10457. The facts that I recite in this Affidavit are known personally to me, or have been made known to me, or they are taken from the company's books and records to which I have full access. I am authorized by the company to make this Declaration on its behalf.

2. Cormorant specializes in the sale of nuts, dried fruits, and other healthy snacks.

3. Cormorant sells these products under a number of labels, including TERRAFINA.

4. Cormorant filed for the registration of the trademark TERRAFINA on July 14, 2006 and the Application matured into Registration No. 3,810,927 (the "'927 Registration") on June 29, 2010 with registration number 3,810,927 (the "'927 Registration").

5. The attorney of record on the '927 Registration was John J. Driscoll until June 29, 2016. On June 29, 2016, Cormorant appointed Ira E. Silfin to be the attorney of record on the '927 Registration.

6. At the time of registration, Respondent had offices at 204 28th Street, Brooklyn NY 11232 (hereinafter, the "Former Address").

7. On or about November, 2011 Respondent moved its offices to 1610 Bathgate Avenue, Bronx NY 10457 (hereinafter, the "Current Address").

8. On November 18, 2010, Cormorant entered into a Settlement Agreement and a Mutual Consent Agreement with La Terra Fina USA, Inc. (hereinafter, "Petitioner") regarding the use of the trademark TERRAFINA.

9. Shortly after January 26, 2016, I received a letter from Petitioner's counsel at our Current Address.

10. I understand that a Declaration of Use under Section 8 was due no later than June 29, 2016. On that day, we retained Ira E. Silfin of Amster Rothstein & Ebenstein LLP to represent us in the Trademark Office.

11. That day Mr. Silfin advised me that a Petition to Cancel had been filed against our registration for the TERRAFINA trademark. This was the first time we had heard about this cancellation proceeding

12. At no time did we receive any notice from Petitioner's counsel, even though they knew about our Current Address.

I declare under penalty of perjury that the foregoing is true and correct.

Declared, signed and executed on this 19 day of July, 2016.

By: JAMES LOCKE

Exhibit B

DANA B. ROBINSON, ESQ.
E-MAIL: DANA@TECHLAWLLP.COM
TEL (858) 488-2545
FAX (858) 777-3347

TechLaw LLP
Intellectual Property Law Group

TECHLAW LLP
P.O. BOX 1416
LA JOLLA, CA 92038
WWW.TECHLAWLLP.COM

January 26, 2016

Via Certified U.S. Mail

Terrafina LLC
Cormorant Group LLC
1610 Bathgate Avenue
New York, NY 10457

Re: Violation of TERRAFINA Settlement Agreement

To Whom It May Concern:

We represent La Terra Fina USA, Inc. ("LTF"). It has come to our attention that Cormorant Group LLC ("Cormorant") is in violation of the terms of the settlement agreement Cormorant executed with LTF on November 18, 2010 (the "Settlement Agreement").

The Settlement Agreement addresses, in part, the opposition LTF filed against Cormorant's TERRAFINA trademark application (Serial No. 78958154). The terms of the Settlement Agreement allow Cormorant to use TERRAFINA "on or in connection with roasted nuts, flavored nuts, roasted seeds, fruit and nut mixes, trail mixes, confections, including brittles, crunch bards, chocolate covered nuts, chocolate covered dried fruits, raw nuts, dried fruits, raw seeds, grains, pulses and coffee." However, Section 1 of the Settlement Agreement explicitly prohibits Cormorant (and its parents, affiliates, subsidiaries, successors and assigns) from "using the TERRAFINA Mark on or in connection with any other goods or services," other than those specifically listed in the Settlement Agreement.

Cormorant is violating the terms of Clause 1 of the Settlement Agreement by selling "veggie chips" under the TERRAFINA brand. *See* www.terrafina.us. Veggie chips are not listed as a permitted item in Settlement Agreement, and thus Cormorant may not offer the veggie chips for sale under the TERRAFINA name.

This letter serves as notice under Section 11 of the Settlement Agreement, which provides that Cormorant must cure its breach within thirty (30) business days after receipt of this

letter. Please let us know if you cannot locate a copy of the Settlement Agreement, and we will send it to you.

You can reach me by email, dana@techlawllp.com, to discuss this matter further. Nothing herein shall constitute a waiver of any kind nor prejudice any of our client's rights or remedies.

Very truly yours,

/s/ Dana B. Robinson

Dana B. Robinson

cc: Rogelio J. Carrasquillo
Gibbons, P.C.
One Pennsylvania Plaza
37th Floor
New York, NY 10119

Exhibit C

DANA B. ROBINSON, ESQ.
E-MAIL: DANA@TECHLAWLLP.COM
TEL (858) 488-2545
FAX (858) 777-3347

TechLaw LLP
Intellectual Property Law Group

P.O. BOX 1416
LA JOLLA, CA 92038
WWW.TECHLAWLLP.COM

January 4, 2016

Via Certified U.S. Mail

Cormorant Group LLC
c/o James Locke
204 28th Street
Brooklyn, NY 11232

Re: Violation of TERRAFINA Settlement Agreement

Dear Mr. Locke:

We represent La Terra Fina USA, Inc. ("LTF"). It has come to our attention that Cormorant Group LLC ("Cormorant") is in violation of the terms of the settlement agreement Cormorant executed with LTF on November 18, 2010 (the "Settlement Agreement"). A copy of the Settlement Agreement is enclosed with this letter for your reference.

The Settlement Agreement addresses, in part, the opposition LTF filed against Cormorant's TERRAFINA trademark application (Serial No. 78958154). The terms of the Settlement Agreement allow Cormorant to use TERRAFINA "on or in connection with roasted nuts, flavored nuts, roasted seeds, fruit and nut mixes, trail mixes, confections, including brittles, crunch bards, chocolate covered nuts, chocolate covered dried fruits, raw nuts, dried fruits, raw seeds, grains, pulses and coffee." However, Section 1 of the Settlement Agreement explicitly prohibits Cormorant from "using the TERRAFINA Mark on or in connection with any other goods or services," other than those specifically listed in the Settlement Agreement.

Cormorant is violating the terms of Clause 1 of the Settlement Agreement by selling "veggie chips" under the TERRAFINA brand. *See* www.terrafina.us. Veggie chips are not listed as a permitted item in Settlement Agreement, and thus Cormorant may not offer the veggie chips for sale under the TERRAFINA name.

This letter serves as notice under Section 11 of the Settlement Agreement, which provides that Cormorant must cure its breach within thirty (30) business days after receipt of this

letter. You can reach me by email, dana@techlawllp.com, to discuss this matter further. Nothing herein shall constitute a waiver of any kind nor prejudice any of our client's rights or remedies.

Very truly yours,

/s/ Dana B. Robinson

Dana B. Robinson

cc: Rogelio J. Carrasquillo
Gibbons, P.C.
One Pennsylvania Plaza
37th Floor
New York, NY 10119

cc: John J. Driscoll
Windels Marx Lane & Mittendorf
Via email john.driscoll@tklaw.com

Exhibit D

THIS OPINION IS CITABLE AS PRECEDENT OF THE TTAB

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

Mailed: November 1, 2006

LMS

Cancellation No. 92043691

Smart Inventions, Inc.

v.

TMB Products, LLC as assignee of Yellowtop, North America, Inc.[1]

Before Holtzman, Rogers and Kuhlke, Administrative Trademark Judges.

By the Board:

This case comes up on respondent's motion to set aside the default judgment under Fed. R. Civ. P. 60(b)(4) entered by the Board on January 6, 2005. As grounds for the motion, respondent states that TMB Products, LLC was the owner of record of the involved registration at the time this proceeding was instituted; that it never received actual or constructive notice of the proceeding; that the Board failed to follow Trademark Rule 2.113(c) to provide notice to the current owner; and that therefore the Board lacked jurisdiction over respondent, rendering the default judgment

[1] Assignment recorded in the Office on May 25, 2004 at Reel 2975/Frame 0426.

void. Petitioner objects, alleging that respondent has not satisfied the oft-cited factors to be considered under Fed. R. Civ. P. 60(b)(6).

Contrary to petitioner's arguments, Federal Rule 60(b)(4) does not require a balancing test to perform or provide for discretion to be exercised. A default judgment is either valid or void and if it is void, it must be set aside. *See* Wright, Miller & Kane, *Federal Practice and Procedure:* Civil 2d § 2862 (2002). Further, a judgment "is void only if the court that rendered it lacked jurisdiction of the subject matter, or of the parties, or if it acted in a manner inconsistent with due process of law." *Id*. In this case, respondent raises the issue that a lack of actual notice of the proceeding prevented the Board from obtaining jurisdiction over the respondent.

A review of the record establishes that (1) Yellowtop, North America, Inc. (hereinafter sometimes referred to as "Yellowtop") filed an application, Serial No. 74542027,[2] on June 23, 1994; (2) that Yellowtop executed an assignment of the mark and its application to TMB Products, LLC on December 31, 1999; (3) that the application issued as Reg.

[2] For the mark SMART BROOM for "indoor and outdoor brooms" in Class 21 with "broom" disclaimed and alleging a date of first use and first use in commerce of April 18, 1994.

No. 2513616 to Yellowtop, North America, Inc.[3] on December 4, 2001; (4) that TMB Products, LLC recorded the assignment with the Assignment Division of the Office on May 25, 2004; (5) that this proceeding was filed on September 7, 2004 and instituted against Yellowtop, North America, Inc. on September 16, 2004; (6) that notice of the proceeding was sent to Yellowtop; (7) that the answer was due on October 26, 2004; (8) that a notice of default was issued November 12, 2004; (9) that default judgment was entered January 6, 2005; and (10) that the copy of the default judgment sent to Yellowtop was returned to the Board by the U.S. Postal Service as undeliverable on February 1, 2005.[4]

Thus, the record on its face shows that all of the Board's correspondence with respondent was not sent to the owner of record of the registration at the time the petition was filed. Trademark Rule 2.113(c) provides (emphasis added):

---

[3] A new owner or assignee of a pending application can help ensure a registration will issue in its name by following the procedures set out in 37 CFR § 3.85. This involves recording the assignment and filing a request that the registration issue in the new owner's name, which ensures the new address is made of record in the application file.

[4] Respondent alleges that the returned mail was of the original service copy of the Petition to Cancel and submitted a photocopy of the returned envelope. However, that returned envelope is associated with the default judgment order, as the postmark was January 10, 2005, and not the original service. Had it been the original service copy that was returned, standard procedures would have required the Board to publish notification of the cancellation proceeding in the Offical Gazette pursuant to 37 CFR § 2.118.

> The Board shall forward a copy of the petition for cancellation and any exhibits with a copy of the notification to the respondent (see § 2.118). **The respondent shall be the party shown by the records of the Office to be the current owner of the registration(s)** sought to be cancelled, except that the Board, in its discretion, may join or substitute as respondent a party who makes a showing of a current ownership interest in such registration(s).

Because the Board did not serve TMB Products, LLC, the record owner of the involved registration, it was not afforded reasonable notice of the proceeding and an opportunity to respond.

If a judgment is void, it must be set aside without regard to any potential hardship to the petitioner and there is no time limit on an attack to a judgment that is void. *See* Wright, Miller & Kane, *supra*. Accordingly, respondent's motion is granted and the Board's default judgment entered on January 6, 2005 is hereby set aside.

Registration No. 2513616 will be restored to the register.

A copy of the original petition to cancel is hereby forwarded to respondent, TMB Products, LLC, and respondent has THIRTY days from the mailing date of this order to file an answer or other response. Proceedings are resumed and discovery and trial dates are reset as indicated below.

Discovery period to close: **4/15/2007**

30-day testimony period for party in position of plaintiff to close:	**7/14/2007**
30-day testimony period for party in position of defendant to close:	**9/12/2007**
15-day rebuttal testimony period to close:	**10/27/2007**

In each instance, a copy of the transcript of testimony together with copies of documentary exhibits must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.

.o0o.